

002 - ASSESSOR

Operational Summary

Mission:

To serve the citizens of Orange County by valuing all legally assessable property with uniformity and impartiality, producing property tax assessment rolls in accordance with the laws of the State of California, and helping property owners to understand their property valuations.

Strategic Goals:

- Identify and properly value all taxable property in Orange County.
- Make property valuation information more accessible and easier to understand.
- Enhance operational efficiency and productivity through the implementation of new technology, policies and procedures.
- Encourage employee development by providing access to relevant training opportunities.

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
VALUE ALL TAXABLE PROPERTY IN ORANGE COUNTY. What: Fulfills the Assessor's Constitutional mandates. Why: Implements the provisions of Proposition 13 and other property tax laws.	Valued 835,091 real property parcels and 165,783 business/personal property accounts.	Continue to value all taxable property in the County.	We continue to respond to market dynamics and real estate transactions that have increased significantly from year to year, as well as changes in property tax laws and a workload that is increasing and shifting continually.
PUBLISH THE SECURED AND UNSECURED ASSESSMENT ROLLS OF VALUE EVERY JULY. What: Fulfills the Assessor's Constitutional mandates. Why: Establishes the basis for property tax assessments that fund schools and local government services.	Published the secured and unsecured assessment rolls in July 2003.	Publish the secured and unsecured assessment rolls in July 2004.	We are in the process of valuing all taxable property in the County for the FY 2004-05 assessment rolls of value.
IMPLEMENT HOMEOWNER, VETERAN & INSTITUTIONAL EXEMPTIONS FOR ELIGIBLE INDIVIDUALS AND ORGANIZATIONS. What: Limits or reduces taxable value, as mandated by the State Constitution. Why: Qualifying individuals and organizations receive the tax-saving benefits of these exemptions.	More than 501,500 Homeowner, Veteran and Institutional exemptions were enrolled.	Implement exemptions in accordance with property tax laws.	We process claims and application forms on a continuous basis.

At a Glance:

Total FY 2003-2004 Actual Expenditure + Encumbrance:	29,513,275
Total Final FY 2004-2005 Budget:	30,764,060
Percent of County General Fund:	1.24%
Total Employees:	337.00

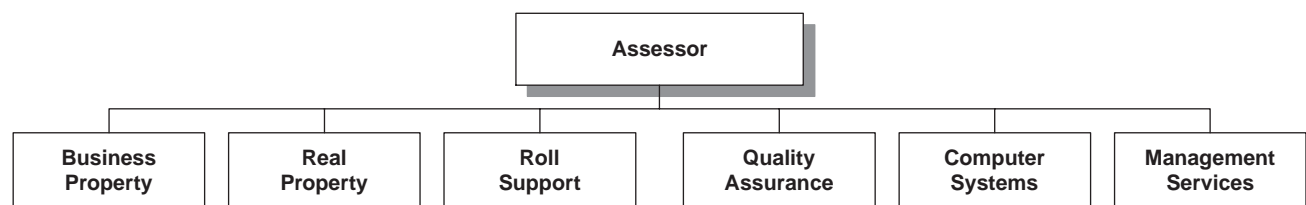
Key Outcome Indicators: (Continued)

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
APPLY TAXABLE VALUE RESTRICTIONS ADOPTED BY CALIFORNIA VOTERS. What: Restricts taxable value based on qualifying events. Why: Implements Prop. 13 and other constitutional limitations on the taxable value of property.	Approximately 44,500 parcels benefited from taxable value restrictions mandated by property tax laws. Value may be restricted if property declines in value, is transferred between parent and child, or is purchased as a replacement residence by a senior citizen or disabled property owner.	Apply taxable value restrictions to eligible properties in accordance with property tax laws.	We process claims and application forms on a continuous basis, and evaluate Prop. 8 parcels annually.
CONTINUE TO PRODUCE LOCAL ASSESSMENT ROLLS THAT MEET LEGAL QUALITY STANDARDS. What: The SBE conducts periodic surveys to determine if assessment rolls meet legal quality standards. Why: Reduces appeals and related costs, provides uniformity statewide, builds confidence in the system.	In the most recent survey conducted by the State Board of Equalization (SBE), Orange County's local assessment rolls meet legal quality standards established by Government Code Sections 15640 and 15642. The minimum legal quality rating is 95.0%, and Orange County's rating is 98.6%.	Continue to produce assessment rolls in accordance with property tax laws.	The Orange County Assessor and staff continually monitor the status of property tax laws and state rules. Property assessment practice is modified to implement changes in the law.

FY 2003-2004 Key Project Accomplishments:

- The decision on the two percent assessment appeals court case was published by the California Court of Appeal, Fourth District, Division Three on March 26, 2004. The Court's decision reversed the ruling of the Orange County Superior Court, and ordered the Superior Court to enter a judgment in favor of the County. The Court of Appeal ruled that a temporary reduction of property assessment under Proposition 8 does not establish a new lower base value. The Court noted that such a change in base value would be inconsistent with Proposition 13. This decision is now final since the California Supreme Court denied the petition to review the Court of Appeals' ruling on July 21, 2004.

Organizational Summary



BUSINESS PROPERTY - Audits and appraises business personal property and assesses all trade fixtures, leased equipment, boats and aircraft with taxable situs in Orange County.

REAL PROPERTY - Appraises real property, new construction and reassessable changes in ownership, and maintains records on all real property parcels including residential, commercial, rural, industrial and special use properties.

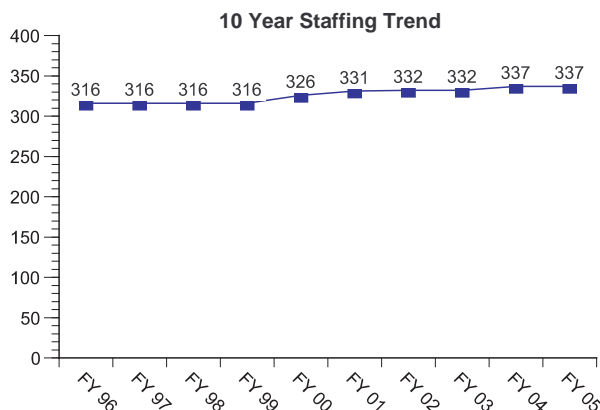
ROLL SUPPORT - Reviews and maintains recorded documents evidencing a change in ownership of real property, prepares Assessor parcel maps and processes Homeowner, Veteran and Institutional exemptions.

QUALITY ASSURANCE - Provides appraisal methodologies, procedures, training and quality control for roll production, audit and appraisal staff.

COMPUTER SYSTEMS - Provides programming and data processing services, system security and technical services to support the development of the assessment rolls of value.

MANAGEMENT SERVICES - Provides fiscal management, process integration, contract administration, procurement and personnel services, general department administration and public service support to the public and other government agencies.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Twenty-one (21) positions were deleted in FY 1995-96 due to the County bankruptcy. Extra help and overtime labor has been used as appropriate to complete the work.

- Ten (10) positions were added back in January 1999 to accommodate the increased workload base, and to help with the annual workload increases. The department still had a significant shortage in permanent labor hours.
- Five (5) unfunded limited-term positions were added in FY 2000-01 to manage vacancies and better accommodate recruitment timeframes and to meet a larger workload. One (1) full-time regular position was added mid-year FY 2000-01.
- Five (5) extra-help positions were converted to regular in FY 2002-03 to meet a growing workload and to get the department back to the 1994 staffing level. The department continues to use extra-help and overtime labor to manage and complete the significant workload increase that has occurred since 1994. The staffing level also allowed the department to apply for the State-County Property Tax Administration Grant Program (AB-589).
- In March 2004, the Assessor Department received a grant from the State of California, under the AB-589 program. Positions funded by the grant are budgeted in Agency 127.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Assessor Department recognizes the County's Strategic Priorities, and will continue to operate in concert with those priorities to the extent that they do not interfere with the Department's Constitutional mandate to produce valuation rolls and provide valuation services to Orange County's property owners and businesses.

Final Budget and History:

Sources and Uses	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Total Positions	-	337	337	337	0	0.00
Total Revenues	5,790,359	4,420,000	6,699,695	5,732,975	(966,720)	-14.43
Total Requirements	27,873,707	29,651,085	29,308,458	30,764,060	1,455,602	4.97
Net County Cost	22,083,348	25,231,085	22,608,763	25,031,085	2,422,322	10.71

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2003-04 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Assessor in the Appendix on page 434.

Highlights of Key Trends:

- Orange County's real estate market continues to be dynamic. The trend of values in some market segments may adjust up and down in the next year.

Budget Units Under Agency Control

No.	Agency Name	Business Property	Real Property	Roll Support	Quality Assurance	Computer Systems	Management Services	Total
002	Assessor	4,460,120	8,435,522	7,681,469	803,770	1,953,364	7,429,815	30,764,060
127	Property Tax Admin State Grant	0	0	0	0	0	6,559,475	6,559,475
	Total	4,460,120	8,435,522	7,681,469	803,770	1,953,364	13,989,290	37,323,535

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Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Intergovernmental Revenues	\$ 0	\$ 5,000	\$ 12,864	\$ 5,000	\$ (7,864)	-61.13%
Charges For Services	5,786,161	4,415,000	6,678,249	5,727,975	(950,274)	-14.23
Miscellaneous Revenues	4,198	0	8,581	0	(8,581)	-100.00
Total Revenues	5,790,359	4,420,000	6,699,695	5,732,975	(966,720)	-14.43
Salaries & Benefits	21,703,554	23,747,740	23,664,888	24,676,935	1,012,047	4.28
Services & Supplies	6,125,906	5,812,045	5,581,462	6,026,125	444,663	7.97
Fixed Assets	44,247	91,300	62,108	61,000	(1,108)	-1.78
Total Requirements	27,873,707	29,651,085	29,308,458	30,764,060	1,455,602	4.97
Net County Cost	\$ 22,083,348	\$ 25,231,085	\$ 22,608,763	\$ 25,031,085	\$ 2,422,322	10.71%

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2003-04 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Final Budget Summary of Assessment Of Business Property:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Salaries & Benefits	\$ 3,964,471	\$ 4,320,931	\$ 3,976,714	\$ 4,291,995	\$ 315,281	7.93%
Services & Supplies	221,934	222,725	121,968	168,125	46,157	37.84
Total Requirements	4,186,405	4,543,656	4,098,682	4,460,120	361,438	8.82
Net County Cost	\$ 4,186,405	\$ 4,543,656	\$ 4,098,682	\$ 4,460,120	\$ 361,438	8.82%

Final Budget Summary of Assessment Of Real Property:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Salaries & Benefits	\$ 7,367,846	\$ 8,275,671	\$ 8,453,907	\$ 8,270,362	\$ (183,545)	-2.17%
Services & Supplies	128,167	469,560	130,486	165,160	34,674	26.57
Total Requirements	7,496,014	8,745,231	8,584,392	8,435,522	(148,870)	-1.73
Net County Cost	\$ 7,496,014	\$ 8,745,231	\$ 8,584,392	\$ 8,435,522	\$ (148,870)	-1.73%

Final Budget Summary of Roll Support:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Charges For Services	\$ 0	\$ 0	\$ 1,219	\$ 0	\$ (1,219)	-100.00%
Total Revenues	0	0	1,219	0	(1,219)	-100.00
Salaries & Benefits	6,182,506	6,592,468	7,035,903	7,594,284	558,381	7.94
Services & Supplies	116,717	207,240	118,290	87,185	(31,105)	-26.30
Total Requirements	6,299,222	6,799,708	7,154,194	7,681,469	527,275	7.37
Net County Cost	\$ 6,299,222	\$ 6,799,708	\$ 7,152,975	\$ 7,681,469	\$ 528,494	7.39%

Final Budget Summary of Quality Assurance:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Salaries & Benefits	\$ 707,133	\$ 758,111	\$ 690,946	\$ 788,520	\$ 97,574	14.12%
Services & Supplies	8,332	16,250	8,293	15,250	6,957	83.88
Total Requirements	715,465	774,361	699,239	803,770	104,531	14.95
Net County Cost	\$ 715,465	\$ 774,361	\$ 699,239	\$ 803,770	\$ 104,531	14.95%

Final Budget Summary of Computer Systems:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Salaries & Benefits	\$ 1,828,753	\$ 1,933,603	\$ 1,924,827	\$ 1,929,564	\$ 4,737	0.25%
Services & Supplies	91,776	45,750	24,566	23,800	(766)	-3.12
Fixed Assets	0	0	8,945	0	(8,945)	-100.00
Total Requirements	1,920,528	1,979,353	1,958,337	1,953,364	(4,973)	-0.25
Net County Cost	\$ 1,920,528	\$ 1,979,353	\$ 1,958,337	\$ 1,953,364	\$ (4,973)	-0.25%

Final Budget Summary of Management Services:

Revenues/Appropriations	FY 2002-2003 Actual Exp/Rev	FY 2003-2004 Budget As of 6/30/04	FY 2003-2004 Actual Exp/Rev ⁽¹⁾ At 6/30/04	FY 2004-2005 Final Budget	Change from FY 2003-2004 Actual	
					Amount	Percent
Intergovernmental Revenues	\$ 0	\$ 5,000	\$ 12,864	\$ 5,000	\$ (7,864)	-61.13%
Charges For Services	5,786,161	4,415,000	6,677,030	5,727,975	(949,055)	-14.21
Miscellaneous Revenues	4,198	0	8,581	0	(8,581)	-100.00
Total Revenues	5,790,359	4,420,000	6,698,476	5,732,975	(965,501)	-14.41
Salaries & Benefits	1,652,845	1,866,956	1,582,592	1,802,210	219,618	13.88
Services & Supplies	5,558,980	4,850,520	5,177,858	5,566,605	388,747	7.51
Fixed Assets	44,247	91,300	53,163	61,000	7,837	14.74
Total Requirements	7,256,072	6,808,776	6,813,613	7,429,815	616,202	9.04
Net County Cost	\$ 1,465,713	\$ 2,388,776	\$ 115,138	\$ 1,696,840	\$ 1,581,702	1,373.75%